

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION  
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF UNITED STATES POSTAL SERVICE  
WITNESS ELMORE-YALCH TO NALC INTERROGATORIES  
NALC/USPS-T11-1-5**

The United States Postal Service hereby provides the responses of witness Elmore-Yalch to the above-listed interrogatories of the National Association of Letter Carriers, AFLI-CIO, dated January 17, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Kevin A. Calamoneri  
Managing Counsel, Corporate & Postal  
Business Law

Daniel J. Foucheaux, Jr.  
Chief Counsel, Pricing & Product Support

Anthony F. Alverno, Jr.  
Chief Counsel, Global Business & Service.  
Development

Kenneth N. Hollies  
Attorney

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-3083; Fax -3084  
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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
ELMORE-YALCH TO NALC INTERROGATORY

**NALC/USPS-T11-1:** Figure 41 on page 49 of your testimony shows that a “probability of change” scale was used in calculating the estimated change in mail volume that would result from the proposed service standard changes. Please state by how much USPS’s estimate of mail volume change of 1.7% would be different if the “probability of change” scale had not been used and explain how you calculated that difference.

**RESPONSE:**

The use of the probability of change scale (more commonly known as the Juster Scale) is strongly supported in academic literature and in practice. ORC International understands that the application of this scale is both appropriate and supported by industry practice and academic literature. As such, utilizing data that does not apply this adjustment would be inappropriate and potentially misleading. It is ORC’s policy not to conduct or report statistics that do not conform to accepted procedures.

However, any party interested in sponsoring such calculations are able to perform the analysis using materials previously filed as part of library reference USPS-LR-N2012-1/26. Further, ORC International is prepared to provide informal technical assistance to any party that may need assistance in understanding technical details of ORC International’s approach or the contents of these data files as a prelude to performing that analysis. In this context, should shared understanding develop that provision of additional or alternative data might be of assistance that may also be possible.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
ELMORE-YALCH TO NALC INTERROGATORY

**NALC/USPS-T11-2:** Figure 41 on page 49 of your testimony shows that a “% of Increase/Decrease in Volume Solely Attributable to Change to FCM Standards” factor was used in calculating the estimated change in mail volume that would result from the proposed service standard changes. Please state by how much USPS’s estimate of mail volume change of 1.7% would be different if that factor had not been used and explain how you calculated that difference?

**RESPONSE:**

The “% of Increase/Decrease in Volume Solely Attributable to Change to FCM Standards” was applied to ensure that any impact on respondents’ estimates for volume changes or how mail was sent were attributable exclusively to the proposed changes in First-Class Mail service standards. We thus ensured exclusion of any impacts resulting from collateral postal matters that have gained significant media coverage. (See *also*, response to POIR #1, Question 19.)

As stated in response to NALC/USPS-T11-1, we believe that this adjustment is necessary and appropriate given the research objectives and research practices.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
ELMORE-YALCH TO NALC INTERROGATORY

**NALC/USPS-T11-3:** Please state by how much USPS's estimate of mail volume change of 1.7% would be different if neither the "probability of change" scale nor the "% of Increase/Decrease in Volume Solely Attributable to Change to FCM Standards" factor had been used and explain how you calculated that difference.

**RESPONSE:**

See responses to NALC/USPS-T11-1 and NALC/USPS-T11-2.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
ELMORE-YALCH TO NALC INTERROGATORY

**NALC/USPS-T11-4:** Page 15, lines 12-20 of your testimony lists five different business segments. Please provide for each segment the (1) mean reported volume decline for respondents in that segment; (2) the mean “probability of change” score for respondents in that segment; and (3) the correlation between the mean reported volume decline and the mean “probability of change” score for respondents in that segment.

**RESPONSE:**

Following are the requested data for (1) mean reported volume decline for respondents in each segment [column c] and (2) the mean “probability of change” score [column d] for each segment.

	Average Volume Before (a)	Average Volume After (b)	Mean Decline in Volume (c)	Mean Probability of Change Score (d)
National Accounts	103,892,737	103,750,425	(143,312)	.3308
Premier Accounts	3,282,785	3,250,464	(32,321)	.2774
Preferred	29,267	27,605	(1,662)	.2120
Small Businesses	3,027	3,002	(25)	.3246
Home-Based Businesses	1,227	1,212	(15)	.3439
Consumers	92	80	(12)	.2578

A correlation is a statistical measure of the degree to which a change in one variable relates to change in one or more other variables at the respondent level. As such, one cannot calculate a correlation between the mean reported volume decline and the mean “probability of change” score since both of these are point estimates, that is an average across respondents.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
ELMORE-YALCH TO NALC INTERROGATORY

**NALC/USPS-T11-5:** Please provide the time period during which you conducted the quantitative market research referred to in your testimony?

**RESPONSE:**

As stated in my testimony on page 15, line 26, "Data collection was completed between October 26 and November 8, 2011."